

**MINUTES of MEETING of the
AUDIT COMMITTEE of**

**THE CAIRNGORMS NATIONAL PARK AUTHORITY
held at Royal Jubilee Arms Hotel, Dykehead
on 7th May 2004**

Present:

Eric Baird
Duncan Bryden
Sally Dowden
Sheena Slimon
Bob Wilson

In Attendance:

Jane Hope, Chief Executive
Andy Rinning, Head of Corporate Services

Apologies:

None

Welcome

1. Eric Baird welcomed everyone to the meeting.

Minutes of Last Meeting

2. The Minutes of the last meeting were approved with no changes. Action Points 7a and 7b had been discharged. On Action Point 18a and 18b, Jane Hope reported that further work on developing a risk register was likely to be taken forward in conjunction with the newly appointed internal auditor (to be discussed under the next item). Action Point 21a and 21b to be discussed under the next item.

Report on Appointment of Internal Auditor

3. Eric Baird gave an oral update on the appointment of the internal auditor. Of the six firms invited to bid, three had done so and had been interviewed earlier that week by a panel comprising Eric Baird, Sally Dowden and Andy Rinning. The panel had unanimously agree that of the three bids, that submitted by Deloitte was the best value for money. All three firms were capable of delivering the internal audit function, however Deloitte demonstrated the best appreciation of the particular circumstances of the CNPA, they had a local presence in Inverness, and had clearly done their homework prior to submitting

their bid and coming to the interview. In short, Deloitte were the best communicators of the three firms, and therefore seemed most likely to work effectively with staff in the National Park Authority, and to be able to interact with the Audit Committee. As far as fees were concerned, Deloitte had given an initial estimate of the number of hours of input and their charging rate per hour. However they would be conducting an initial survey of the detailed audit needs of the CNPA, and there therefore might need to be some modification to their overall fees for a complete year. However they understood very well the need to stay close to the budget originally quoted.

4. The Audit Committee was content to proceed on the basis of the interview panel's recommendation.
5. **Action**
 - a) **Andy Rinning to confirm the appointment of the new internal auditor, and to start engaging with them in taking forward the process of putting together an internal audit plan.**

Update on Report from External Auditor

6. Andy Rinning reported that it had been the intention to provide a written report from the external auditor for this meeting. However, Audit Scotland had suffered a delay in finalising their report, with the result that the draft report had only arrived with the CNPA a week previously, too late to circulate to the Audit Committee. Andy Rinning was therefore providing an oral update to the Audit Committee with a view to putting the final report to the Committee at its next meeting. However, Andy had already met the external auditor, Bob Clark, and agreed an action plan that could be incorporated into that final report.
7. In summary, the financial systems within the CNPA were found to be generally satisfactory. The report contained seven action points, and Andy Rinning had agreed that these were valid and would need action. He reported that two of these had already been implemented leaving five still to be actioned. These were relatively minor and would be relatively easily dealt with. A copy of the external auditor's report, together with a list of these action points and the action taken, would be presented to the next meeting of the audit committee on the 13th August.
8. **Action**
 - a) **Andy Rinning to bring to the next meeting of the Audit Committee a copy of the external auditor's report for 2003/04 together with a report on the actions taken in response to that report.**

AOCB

9. None

Date of Next Meeting

10. 13th August 2004, at Logie Coldstone Hall